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015/032 #2

TO: File

THROUGH: Daron Haddock, Permit Supervisor

FROM: Paul Baker, Reclamation Biologist *PRB*

DATE: April 5, 1993

RE: Chapter 1 General Contents, Genwal Coal Company, Crandall Canyon Mine, Folder #2, ACT/015/032, Emery County, Utah

ANALYSIS**R645-301-112****Identification of Interests****Proposal:**

The Applicant, Genwal Coal Co., is a corporation. Jay Marshall is identified as the resident agent. Genwal is owned jointly by Intermountain Power Agency and Nevada Electric Investment Company. Names and addresses of officers, directors, and principal shareholders of these companies are listed.

The legal owners of the area to be affected by surface operations are Mountain Coal Company and the United States. The legal owner of the coal to be mined is the United States. Holders of record of leasehold interest in surface areas and coal to be mined are shown on page 1-6. Owners of both surface and subsurface rights are shown on pages 1-6 and 1-7.

Analysis:

The plan does not include the Applicant's employer identification number. Also, the person who will pay the abandoned mine reclamation fee is not shown.

R645-301-112.300 requires that the plan include dates positions were assumed for each person who owns or controls the Applicant.

On page 1-5, the plan states that IPA is currently engaged in the reclamation of the Horse Canyon Mine, but the Wellington Preparation Plant is not identified as an operation owned or controlled by the Applicant or those who own or control the Applicant. These are the only operations that are known by the reviewer for Utah, but

any operations that come under R645-301-112.400 for other states also need to be identified. The plan shows the permit number for the Wellington Preparation Plant on page 1-7. The plan needs to include the State permit number, MSHA number and date of issuance, and employer identification number for all operations owned and controlled by either the Applicant or anyone who owns or controls the Applicant.

The legal owner of coal to be mined needs to include the State of Utah. The State also needs to be identified as a surface owner for part of the permit area. The plan doesn't mention whether there are any purchasers of record under real estate contracts.

Deficiencies:

1. The plan must include the Applicant's employer identification number. Also, the person who will pay the abandoned mine reclamation fee needs to be shown.
2. The plan needs to include dates positions were assumed for each person who owns or controls the Applicant.
3. The plan needs to include the names, addresses, identifying numbers, including employer identification number, Federal or State permit number, and MSHA numbers and dates of issuance for any coal mining and reclamation operations owned and controlled by either the Applicant or by any person who owns or controls the Applicant. This also needs to include ownership or control relationship to the Applicant, including percentage of ownership and location in organizational structure.
4. The plan needs to include the State of Utah as an owner of the coal to be mined and as a surface owner for part of the permit area. The plan should state whether there are any purchasers of record under a real estate contract for the property to be mined.

R645-301-113

Violation Information

Proposal:

Violation information is included for the Crandall Canyon Mine. Neither the Applicant nor any subsidiary, affiliate or persons controlled by or under common control with the Applicant has had a mining permit suspended or revoked in the last five years, and they have not forfeited a mining bond or similar security.

Analysis:

The violation information section of the plan needs to state whether or not there are any unabated cessation orders or air and water quality violation notices received prior to the date of the application by any coal mining and reclamation operation owned or controlled by either the Applicant or by any person who owns or controls the Applicant. If there are none, the plan should contain a statement to that effect.

R645-301-113.320 requires that the violation information contain a brief description of each violation alleged in the notice. Pertinent regulations are included for violations issued starting in 1990, but these regulations do not provide a description of each violation. Some of the regulations cited simply imply that a condition of the permit or a commitment in the plan was not met.

Deficiencies:

1. The plan needs to state whether or not there are any unabated cessation orders or air and water quality violation notices received prior to the date of the application by any coal mining and reclamation operation owned or controlled by either the Applicant or by any person who owns or controls the Applicant. If there are none, the plan should contain a statement to that effect.
2. The plan needs to contain a brief description of violations alleged in the notices listed in the plan.

R645-301-114

Right of Entry

Proposal:

The right of entry is based on two federal and two State leases. Genwal also has an underground access special use permit assignment from the Forest Service. There are five other special use permits which include use of the road, use of areas to store topsoil, use of the turnaround area for snow storage and summer parking, construction of portions of the pond and portals areas, and 50 acres for potential surface effects of underground mining.

Analysis:

The Lease by Application areas shown on Plate 1-1 are substantially different from the description contained in Attachment A in Appendix 1-1. The permit application does

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not include these areas, however. If the Lease by Application areas are to be shown in the plan, the maps and legal descriptions need to correspond.

Appendix 1 includes right of entry information for State leases 23178 and 23177. These leases are also not part of this permit application and should be removed.

On page 1-13, the right-of-way information should reference the appendix where the right-of-way number and legal description are contained.

In the introduction to the plan (before Chapter 1), there are some discrepancies that need to be corrected. In the second paragraph, the first lease number is shown as U-5476. It should be U-54762. The next sentence says that there is one Forest Service special use area in Crandall Canyon. As mentioned above, Genwal has five special use permits for the mine.

Also in the introduction, the acreage figures for the mine plan area on page 4 don't add up. $6.09 + 0.9 - 0.34 - 1.1 = 5.55$. The difference in the figures is the acreage shown for the road.

Deficiencies:

1. If the Lease by Application areas are to be shown in the plan, the maps and legal descriptions need to correspond. Plate 1-1 and Attachment A in Appendix 1-1 do not agree.
2. The reference to the underground access special use permit shown on page 1-13 should reference the appendix where the right-of-way number and legal description are contained.
3. The discrepancies in the introduction to the plan need to be corrected as discussed in this analysis.

R645-301-115
R645-301-116
R645-301-117
R645-301-118
R645-301-123

Unsuitability Claims
Permit Term
Insurance, Proof of Publication
Filing Fee
Notarized Signature

Proposal:

The permit area is not within an area designated or under study for designation

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as unsuitable for coal mining and reclamation operations.

The Applicant has requested a permit term of five years.

The plan includes a copy of the insurance Acord form.

An application fee of \$5.00 was received by the Division on January 19, 1993.

Analysis:

The application is required to contain the notarized signature of a responsible official of the Applicant that the information contained in the application is true and correct to the best of the official's information and belief. This statement and signature was not found within the plan.

A copy of the newspaper advertisement for the permit application will need to be filed with the Division and made part of the application no later than four weeks after the last date of publication.

Deficiencies:

1. The plan must contain the notarized signature of a responsible official of the Applicant that the information contained in the application is true and correct to the best of the official's information and belief.